IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

SUIT NO.2576 OF 1998

The Federal Bank Limited,
Banking Company incorporated under
the Companies Act, 1956 having its
registered office at Aluva, Kerala
and having one of its branches at
A-8, Laram Centre, S.V.Road,
Andheri (West), Mumbai-400 058.
..Plaintiffs.

Vs.

Narendra Chaturvedi,
of Thane, Indian Inhabitant,
residing at 308, B Wing, Bldg. No.8,
Venkateshwar Nagar, Bhayander (E),
Thane.
..Defendant.

Ms. Ranjita Menon for the Plaintiffs.

CORAM: A.S. OKA, J.
DATE : JULY 24,2007

ORAL JUDGMENT

1. This suit is listed under the caption of "Undefended Suit for Exparte Decree". The learned counsel appearing for the plaintiffs has tendered on record an affidavit in lieu of examination-in-chief of Mr. John Daniel, Manager (Administration & Legal) of the plaintiffs. The said affidavit is marked "X" for identification and is taken on record. Alongwith the said affidavit, original documents alongwith a list are tendered by the learned counsel for the plaintiffs.

The said documents alongwith a list are marked "Y" (Collectively) for identification and are taken on record.

2. According to the case of the plaintiffs, the defendant applied for grant of a Demand loan facility in the sum of Rs.5,00,000/- against a pledge of 31,800 equity shares of a limited company. Accordingly, on 3rd May, 1995, the plaintiffs sanctioned a Demand Loan facility of Rs.5,00,000/- for a period of one year in favour of the defendant.

3. The defendant executed various documents such as Demand Promissory Note in the sum of Rs.5,00,000/-, a Letter of Pledge of stock, Shares and securities and Security Delivery Letter. The said documents were executed by the defendant on 28th April, 1995. As the defendant failed to repay the loan amount, the plaintiffs through their Advocate’s notice dated 13.4.1998 called upon the defendant to pay the outstanding amount.

4. Written statement is not filed by the defendant. The claim of the plaintiffs is duly proved by the plaintiffs by affidavit of Mr. John Daniel. The witness has also proved the original documents referred

to above as well as the extract of Loan Account of the defendant which is produced at item No.7 in the list marked as "Y".

5. The plaintiffs have claimed further interest at the rate of 22.95% per annum with quarterly rests. Considering the facts of the case, further interest will have to be granted at the rate of 18% per annum from the date of the suit.

6. In view of what is stated above, the plaintiffs are entitled to a decree. Accordingly, the suit is decreed in terms of prayer clause (b) and (c) with modification that further interest will be payable by the defendant at the rate of 18% per annum from the date of the suit till realization or the payment.

7. The plaintiffs are entitled to refund of court fee, if any, as per rules.

8. Certified copy is expedited.

(A.S. OKA, J.)